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SUBJECT: SEPTEMBER 4 MFA PRESS BRIEFING: KOREA DENUCLEARIZATION,  
MILITARY EXPENDITURES REPORT, RUSSIA-GEORGIA CONFLICT, IRAQ OIL  
DEAL

11. Key points at the September 4 afternoon MFA press briefing were:

-- Relevant parties should "join hands" to solve the recent problems  
in the Korean denuclearization process.

-- China has submitted a report on its military expenditures to the  
UN which is more complete than the report submitted last year.

-- China hopes that the international community can help promote  
peace and stability in Georgia.

-- The spokesperson had read reports of discussion between Chinese  
enterprises and Iraq to reach an oil deal. China "supports the  
Chinese enterprises."

-- The spokesperson would not comment on the travel plans of the  
Iranian president to China other than to say that China "welcomes  
foreign political figures."

-- The spokesperson deferred a question on North Korean child  
refugees living in China's border lands to local authorities.

Korean Denuclearization  
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12. At the September 4 regular MFA press conference, spokesperson  
Jiang Yu said that she had "heard" that Assistant Secretary  
Christopher Hill will be coming to Beijing to discuss the North  
Korea issue but his schedule has not yet been finalized. Jiang said  
that it is the "goal of all the parties to achieve the September 19  
Joint Statement." Regarding "current problems" all parties should  
"enhance cooperation" and "join hands to resolve problems" to press  
ahead with the Six-Party Talks process. Asked to confirm reports  
that North Korea has begun reversing the dismantlement of its  
nuclear program, Jiang said that "there are reports about that" and  
that "relevant parties should overcome the difficulties through  
contact and discussions."

Military Budget  
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13. China has submitted its second report to the "UN Military  
Spending Transparency Program" since joining the program last year,  
according to Jiang. The report covers 2007 and "includes data on  
the main uses" of the money spent on the military. Jiang said that  
this makes the "data more complete (fengfu) than last year." The  
report shows that "China attaches great importance to military  
transparency and will work actively with the countries of the world  
to promote military mutual trust." Asked whether China would  
release any of the data to the press, Jiang said that the UN might  
release some data in accordance with its rules.

Georgia-Russia Conflict

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¶4. China hopes that relevant parties in the conflict between Russia and Georgia will resolve their issues through dialogue and consultations, said Jiang. China also "hopes that the international community can play a positive role in resolving the conflict through dialogue." Asked what the appropriate forum for dialogue would be, Jiang said that "a UN measure should help to promote a resolution and achieve peace and stability."

#### China-Iraq Oil Deal

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¶5. Jiang said that she had "read reports" that Iraq and Chinese enterprises were discussing an oil deal. The Chinese government "supports the Chinese enterprises on the basis of equality and mutual benefit." Jiang could not confirm whether a deal had been reached.

#### Iranian President to Beijing

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¶6. Asked again to confirm reports that Iranian President Mahmoud Ahmadinejad will arrive in Beijing on September 6 and that he will meet with Hu Jintao, Jiang said that China "welcomes foreign political figures" and that she will release relevant information in due course. Jiang added that Chinese leaders will also meet with foreign leaders who visit Beijing.

#### North Korean Refugees

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¶7. Asked to comment on a report that large numbers of North Korean refugee children are living in China's border regions and are reduced to prostitution and mendicancy, Jiang referred reporters to "relevant authorities." Jiang said that "illegal entry into China violates China's laws" adding that some illegal refugees have engaged in other "law breaking activities." China always handles this issue within international law and with the spirit of humanitarianism, said Jiang.

#### Sichuan Earthquake

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¶8. There have been no reports of casualties among foreigners resulting from the August 30 earthquake which struck the border between Sichuan and Yunnan said Jiang. Jiang referred reporters to local authorities in response to a question regarding whether or not journalists can now visit the affected areas.

#### Indonesian Timber Shipment

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¶9. The spokesperson had not seen reports that Greenpeace activists had boarded an Indonesian ship carrying lumber bound for China. However, Jiang noted that China has "adopted effective measures against the illegal transport of timber."

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